DOCUMENT RESUME

ED 216 567 HE 013 471

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TITLE Enrollment, Marketing, and Retention in the Coming Decade.
INSTITUTION National Association of Coll. and Univ. Business Officers, Washington, D.C.
PUB DATE Jan 81
NOTE 4p.; Based on a paper presented at the Annual Meeting of the National Association of College and University Business Officers, (St. Louis, 1980).
AVAILABLE FROM National Association of College and University Business Officers, 1 Dupont Circle, Suite 510, Washington, DC 20036.
JOURNAL CIT Business Officer; Jan 1981

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Academic Persistence; *Admissions Counseling; College Attendance; College Bound Students; College Day; *Dropout Prevention; *Enrollment Influences; Enrollment Trends; *Higher Education; Information Dissemination; Intercollegiate Cooperation; Marketing; Public Relations; *School Holding Power; *Student Recruitment

ABSTRACT

The interrelation of enrollment, marketing, and retention, and implications for enrollment management planning at the postsecondary level are considered. Factors that will likely affect enrollment in the 1980s include sources of support for private institutions; increased federal controls, including legislation for veterans and financial aid; and continued emphasis on the vocational/technical area at the expense of the liberal arts. Marketing in higher education is based on institutional philosophy and mission, locating appropriate populations, involving and enrolling those populations and meeting their educational needs. An institution needs to be able to identify target populations and involve the applicant in campus visits, housing/financial aid information followup, and orientation. Additional preadmissions functions include secondary school and junior college visitations, events that focus on admissions and financial aid, and community alumni projects. A strong marketing program must have publications records systems, communications systems, and a research and evaluation component. Since the retention and enrollment rates are directly related, it is important to consider reasons students remain in college and the reasons they drop out. It is suggested that retention efforts should include a review of services to transfer students, identification of students with marginal ability and those who are undecided about a college major, and career and academic counseling. To develop a retention program an institution should determine the dropout rate, measure student perceptions of the university, establish an exit interview process, build an early-alert system, and review the results of the retention program. (SW)

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1980 NACUBO Annual Meeting Presentation

Enrollment, Marketing, and Retention In the Coming Decade

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by DAVID E. HERSHEY

The 1980s will undoubtedly see a decline in the number of students in the traditional market of 18- to 24-year-olds and a decline of up to 19 percent in the college-going population in some areas. However, enrollment is now affected by much more than the condition of the 18- to 24-year-old market. Because the problem is so complex, a local focus with ongoing research and continued monitoring is an essential part of any enrollment management program. Equally important is increased support for marketing activity and for retention in academic programs.

Increased federal controls, such as legislation for veterans and the handicapped, will also affect enrollment. To determine where federal dollars will be spent, the government will become involved in institutional eligibility and accreditation. An inverse relationship between dollars and control (less federal dollars and more control) will develop.

Legislation dealing with truth-in-lending, rights of privacy, and financial aid suggests that the government will be involved in curriculum planning, degree plans, and budget development. Education information centers and independent education brokers will inevitably arise. The decade will also see a decline in public confidence, continued emphasis on the vocational-technical area at the expense of the liberal arts, and an increase in the complexity of issues such as rising inflation and declining available resources. In addition to the above, the following will affect enrollment:

- Federal support for student financial aid will probably make tax-supported grants more portable across state borders. This can be expected to benefit those states that have significant numbers of out-of-state students.
- Cost effectiveness will increasingly motivate institutions as administrators evaluate the quality of academic programs and determine those to be offered.
- Independent colleges and universities will find it increasingly difficult to obtain adequate financial resources to support educational programs. Some of these institutions will not survive without significant changes in their existing base of support. They will not, however, welcome financial help from state funds if the price is a total loss of autonomy.
- Unprincipled rivalry may seriously damage institutions and particular programs such as the recruitment of disadvantaged students.
- Labor demand for college graduates will improve in the 1980s and 1990s as the supply of college graduates dwindles.
- The financial rate of return on higher education investment will rise.
- Public community colleges and other institutions in the southern and southwestern United States will fare better than those in other areas because of the "sunbelt phenomenon."
- Fewer opportunities for innovative programs will arise in an environment of scarce resources.
- Interest groups and current consumer desires, not solid academic planning and academic considerations will continue to dominate curriculum choices.

Marketing

Traditionally, marketing has not been the responsibility of the admissions office. The 1960s featured recruitment, and the 1970s introduced marketing. A successful marketing program must be based on a firm foundation, i.e., institutional goals. To be effective, a marketing program must have total college commitment and must involve many institutional offices in addition to the office of admissions—financial aid, housing, testing and academic advising, development, orientation, and alumni.

Marketing is directed at satisfying needs and wants through the exchange process—people in today's complex society need education to improve their personal, social, and economic well-being. Marketing in higher education is based first on institutional philosophy and mission; second, on locating appropriate populations; and third, on stimulating, involving, and enrolling those populations and meeting their educational needs.

Market management is the analysis planning, implementation, and control of programs designed to bring about desired exchanges with target markets to achieve organizational objectives. It relies heavily on designing offerings to fit target market needs and desires and using effective pricing, communications, and distribution to inform, motivate, and service the market. Marketing can be viewed in terms of the five I's—Identify, Inform, Interest, Involve, and Invest.

Is the institution able to identify population areas for recruitment?

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Does an effective communication program inform these populations about the college and what it has to offer? Does a comprehensive system for gathering data show the results of identification and information efforts? (One measure of success is the number of applications generated.) Is the marketing program so organized that it begins with the five I's? Is the applicant involved immediately through orientation, campus visits, communications, housing-financial aid follow-up, and alumni contact in the home community?

One of the first principles in marketing is to position the institution within the target population. Positioning relates to the institution's image and usually begins with preadmission activity (informing the target population for example).

It is important to recognize factors such as institutional reputation that help in the process. Reputation is reinforced by the attitude of currently enrolled students and alumni, by the quality of the faculty, by the educational and coeducational recreational facilities on campus, by the comprehensiveness of the curriculum or the attractiveness of a given curriculum, and by public awareness of other initiatives of the institution, such as a strong program in continuing education. Institutions also promote awareness through the secondary schools and the junior and community colleges through persons who work with students in those institutions.

Additional preadmissions functions related to "Identify" and "Inform" are high school and junior and community college visitations; visibility events that focus on admissions and financial aid; regional meetings and other more sharply focused events, such as those for minority students; and specialized events, such as those for transfer, veteran, minority, women, and handicapped students. Many activities can be conducted in the summer (for example, workshops co-sponsored by admissions and academic programs such as journalism, math, and music).

Other examples of admissions marketing activity are campus tours, telephone campaigns to contact applicants or referrals, the pen pal program, community alumni projects, interviews, admissions counselor-prospective student correspondence, open houses held by academic departments, and visitation days for high school juniors, scholarship winners, and minority students.

A strong marketing program must have publications records systems, communication systems and techniques, research support, and processes to help prospective students bridge the gap to enrollment.

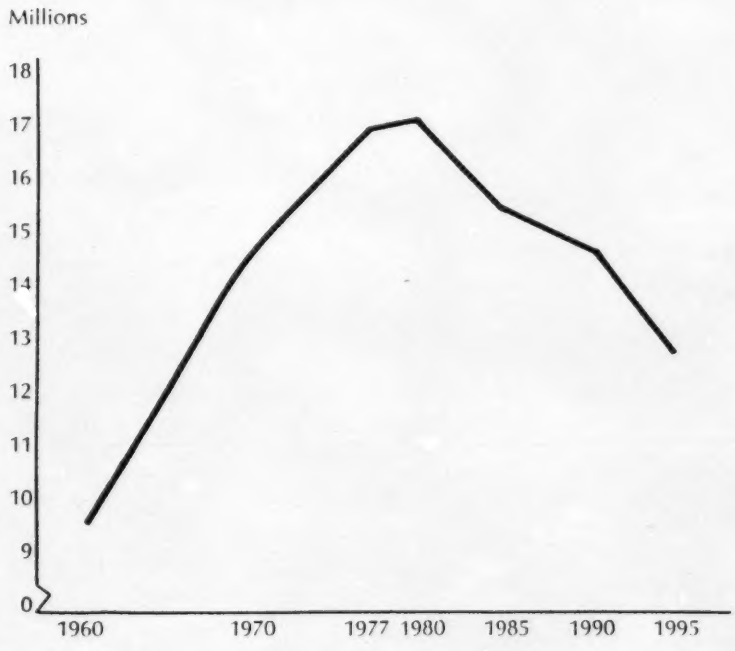
Some of the essentials are information brochures with career information, information on credit by exam and orientation, campus maps, and literature that explains in detail special programs or interdisciplinary options on campus. Other essentials are extensive files that admissions officers can build via alumni referrals, faculty referrals, or student referrals; a program to match alumni in home communities with the market identified by the admissions office (this can be started with telephone calls and reinforced with social receptions in the home communities); the use of audiovisual techniques, such as tape and slide shows, movie presentations, and posters that characterize the institution; and, importantly, a research and evaluation component supported by a data processing system.

The third "I," or the "Interest" of the target population, is expressed in the number of applications submitted to the college. "Involvement" and "Investment" typically take shape after admission. Programs that help to involve students and their parents are orientation, communication, and campus visits.

Marketing is designed to position the college or university in the mind of the target population so that the individual invests in the institution.

In choosing an institution, prospective students consider academic reputation, preferred field of study, proximity, tuition, size, and the total facility (library, etc.). According to the literature, choice is influenced by parents or other relatives or by

Estimates and Projections of the 18-to 21-Year-Old Population in the United States, 1960-1995



1960— 9.550	1982—16.875
1970—14.541	1983—16.499
1977—16.970	1984—15.988
1978—17.105	1985—15.442
1979—17.156	1990—14.506
1980—17.117	1995—12.995
1981—17.018	

Source: U.S. Bureau of the Census. *Projections of the Population of the United States.*

friends, by printed materials, by work experience and work-related contact with the institution, or by high school courses, teachers, or guidance counselors.

Effective marketing delivers a picture of institutional resources with maximum impact at low cost.

Retention

The dropout rate in American higher education is persistent, serious, and difficult to reduce. Over the past 20 years, the national rate has been roughly 40 percent when measuring the number of students graduating in four years from an original college. This is a significant loss of personnel and institutional and governmental resources. The loss is also to the students themselves, who do not achieve their degree objectives.

It is crucial to be aware that a downward enrollment trend will be aggravated by the decline in retention, and retention will become a more pressing concern because of its direct relationship to enrollment. Institutions cannot afford to lose enrolled students, who sustain financial stability and the breadth and strength of academic programs. Students lost through attrition may not be readily replaced. An increase in retention from 30 to 40 percent is equivalent to an increase in enrollment of approximately 13 percent. A guiding principle when establishing a retention policy is that it is significantly cheaper to retain students than it is to obtain them. Students claim that the following academic factors encourage them to remain in college: progress toward educational goals, academic success, clear program options, and informed academic advising. Social or psychological reasons for staying are a feeling of belonging and high self-esteem. Other reasons include attendance at a four-year college, availability of part-time work, student activity programs, admissions policies, supporting services, and academic advisement.

Reasons for dropping out are also identifiable. According to recent studies, academic boredom is the principal reason. Students also note uninspired teaching, overlap with high school courses, irrelevance, inability to sort out curriculum choices, a feeling of isolation, financial and academic difficulty, and commuting.

These factors imply that students with solid backgrounds and high academic ability are more likely to be retained, as are those who are more certain of their major and of their eventual vocational choice and who have sought assistance in their educational planning. Other implications are that a high dropout rate will usually decrease across the first seven semesters and that students of lower ability tend to drop out early. It is certain that students who lean to early dropout need more attention.

Other observations are that 55 percent of students who drop out plan to get a degree at another institution, that 14 percent of students who drop out do not have an educational plan, that transfers tend to transfer in the last two years, and that students taking longer than a four-year sequence are no longer an abnormal group.

Retention efforts should include an effective early-alert system, identification of these students with marginal ability and of those who are undecided about college major or vocational interest, and practical measures to identify problems such as transcript requests for other colleges. Institutions should provide career and academic counseling, study the curriculum and measure the effectiveness of instruction, develop a more sensitive exit interview process, and review those services now provided for the transfer student.

A high correlation exists between marketing and retention. Development of an honest and straightforward marketing program based on institutional philosophy and mission helps to support retention, as do unified efforts to compete effectively and the matching of students' educational needs, interests, and abilities with those of the institution.

To develop a retention program, first determine the dropout rate. Second, develop a vehicle to measure student perceptions of the university. Third, establish an exit interview process. Fourth, build an early-alert system. Fifth, form a retention committee or some unit to review the results of the program and share those results with the college community. Both the marketing and retention programs require a team effort.

Establishing student commitment is important for retention, and commitment usually leads to a higher rate of persistence. Student persistence is directly related to the degree to which the student fits academically and socially into the campus system. Students who persist have certain characteristics: 1) they usually have fair to above average academic ability; 2) they have educational aspirations and a commitment to the educational process; and 3) they have parent support, both financially and personally.

Institutions that retain students usually have a selective program of admissions, a high commitment to an academic advising program and support service, and a process and program for counseling departing students on how to return to school.

High-ability students who drop out will usually complete college. It is necessary to reinforce the student's commitment to that goal and take part in designing ways for him to reach it.

The following are common rules for retention and marketing: recruit students with characteristics that fit the mission and program requirements of the college or university; be flexible so that students can change majors easily; involve the campus community; strive for quality in faculty and programs; and sustain a student guidance program from admission through job placement. On all levels the effort to attract students should be matched by the effort to retain them.

In order to establish an effective enrollment management plan, administrators must acknowledge the interrelation of enrollment, marketing, and retention. Any enrollment increases will come from the participation in higher education of a larger percentage of the population (a function of marketing) and from more effective retention programs. Finding solutions demands total institutional commitment. Success depends on an alert and aggressive management team armed with a clear statement of goals and objectives and prepared to carry out a systematic allocation of institutional resources. The enrollment problem is too serious and too complex to be handled in any other way. ♦